

## Thomas Dickson, D&H Empire Builder and Gentleman (Part 1)

By S. Robert Powell, Ph.D.

In 1836, James and Elizabeth (Linen) Dickson of Berwickshire, Scotland, and their six children, came to Carbondale, where James Dickson entered the service of the Delaware and Hudson Canal Company as a machinist (named master mechanic following resignation of John H. McAlpine, and served as such until his death in 1880). In 1837, their son Thomas, age 13, got a job as a mule driver (working under George A. Whiting, who was then in charge of the D&H horses and mules) at the “sweep” (a lifting device) that was used to lift coal out of the D&H mine at Carbondale. Thirty-two years later he was elected President of the Delaware and Hudson Canal Company. Let’s take a look now at the path that he followed to that high office.

Following his work as a mule driver, he worked in various commercial enterprises until 1852, when he purchased an interest in the foundry and machine shops of Joseph Benjamin & Co. in Carbondale. In 1856, together with his father, brothers, and friends, he established, in Scranton, the firm of Dickson & Co. (manufacturers of mining machinery and steam locomotives), which, when reorganized in 1862, became the Dickson Manufacturing Company, with Thomas Dickson as president and sole manager. The principal customer of the company was the Delaware and Hudson Canal Company. (In 1857, Dickson & Co. made 16 stationary steam engines, of 75 horse power each, for the D&H.) On January 1, 1860, Thomas Dickson stepped down as president of the Dickson Manufacturing Company, and his brother George became president.

In 1860, Thomas Dickson was appointed Superintendent of the D&H Coal Department, at an annual salary of \$4,000. Immediately, he set about acquiring coal lands, especially those on the east side of the Susquehanna River, extending north from Nanticoke to the Pennsylvania Coal Company property near Wilkes-Barre. In 1864, he was promoted to the newly created office of General Superintendent of the Delaware and Hudson Canal Company. As such, he was in charge of all operations from the Lackawanna Valley to Rondout, including mining, the railroad, the canal, and the telegraph departments.

The D&H mining-transportation-marketing system—from the coal fields of northeastern Pennsylvania to the Hudson River—was then a fully mature and very profitable industrial enterprise. In 1864, the D&H shipped 852,130 tons of coal to market. The 1866-1868 revisions to the Gravity Railroad resulted in significant increases in shipments of coal. In 1868, 2 million tons of coal were shipped to market. On October 1, 1869, the D&H shipped to market 12,000 tons of coal, the largest amount ever shipped in one day; during 10 hours on the same day, they hauled 2,000 cars over the mountain. At one point in 1870, there were 350,000 tons of coal piled up at Honesdale.

On January 16, 1866, Thomas Dickson was elected Vice president of the D&H. At that time, a concerted program of market expansion for D&H coal was initiated by D&H President George Talbot Olyphant and Thomas Dickson. An important feature of those market expansion plans included (1) buying new coal lands, and (2) expanding the D&H rail network beyond the Lackawanna valley.

In order to buy additional coal lands, the D&H had to get a supplement to its charter to allow it to hold additional acres of coal lands. The D&H did so, and then bought 3,500 acres of Union Coal Company and Baltimore Company lands. Here is what they bought: "...over three thousand acres of coal lands owned in fee, and eleven hundred acres held under favorable leases; four coal breakers with all appurtenances, capable of turning out more than two thousand tons of anthracite daily, and seventeen miles of railroad connecting with the [D&H] company's line in the Lackawanna valley near Scranton. The properties of the two companies (Union and Baltimore) also included four locomotives, five hundred and fifty coal cars and one hundred canal boats." (*Century of Progress*, p. 197). To access those new coal lands, D&H Gravity-gauge tracks were laid from Providence to Green Ridge to the Baltimore mines in Wilkes-Barre.

With the acquisition of those new coal lands, additional markets for anthracite coal were necessary. The D&H, accordingly, focused on the development of new markets to the North, to the South, and to the West, in Albany and beyond, in Baltimore, in the Great Lakes region.

It was destiny that placed Thomas Dickson, an enthusiastic and skilled promoter of railroad expansion (acquisition, construction, and improvement), at the head of the D&H, as president, on May 13, 1869. Under his inspired leadership as President, D&H rails and markets were expanded significantly, and the D&H mining and transportation enterprise ascended to yet new heights. Consider the following seven D&H railroad expansion and enrichment achievements, all of which were orchestrated under the direction of Thomas Dickson:

**1. Albany and Susquehanna Railroad Leased for 99 Years:** The officers and managers of the D&H, having recognized the potential usefulness of the Albany & Susquehanna Railroad in marketing D&H coal at Albany and north of that city, negotiated a contract with the A&S, in July 1866, providing for completion of the A&S to Nineveh within a year, and for moving 500,000 tons of D&H coal over the A&S in A&S cars "from any point where tendered for loading." Under that agreement, the D&H bought \$500,000 worth of A&S second mortgage bonds. Remarkably, the D&H entered into this agreement with the A&S four years before D&H rails could connect with the A&S, knowing, of course, that one day in the not-too-distant future that they would.

On January 12, 1869, the Albany & Susquehanna Railroad (a 6-foot gauge line, from Albany to Binghamton) opened with a commemorative excursion. On February 24, 1870, Joseph H. Ramsey and the A&S Board of Directors leased to the D&H for 99 years "the property and franchises of the Albany & Susquehanna Railway Company at an annual rent of \$490,000 or 7 per cent upon its capital, and bonded debt of \$7,000,000." (*Hollister*, p. 179) With a lease arrangement on the A&S and all of its branches in place, the D&H then took an important step to make that rail line D&H user-friendly. On June 8, 1871, President Dickson submitted a letter on this subject to the Managers in which he declared that placing a third rail on the line, so as to permit the handling of equipment of the standard gauge, was of the highest importance and would place the railroad "in direct and close communication with the whole railroad system of the country." The 143-mile long line between Binghamton and Albany would become known as the Susquehanna Division of the D&H.

**2. Albany Became a Second Rondout:** Remarkably, the D&H, as early as 1866, had plans to erect at Albany an immense coal depot and to make Albany, in effect, a second Rondout. That fact we know from an article that was published in the *Albany Evening Post* and reprinted in the March

24, 1866 issue of the *Carbondale Advance*. In that remarkable article, we read: "...A few days since certain gentlemen connected with the Delaware & Hudson Canal Company, contracted with the Directors of the Albany and Susquehanna Railroad to bring to Albany as soon as the road is opened to Binghamton 500,000 tons of coal per year [emphasis added]. This is an immense contract, and will give the road an amount of freight, that will soon force them to put down a double track the whole length of the road. / To carry out the designs of the Coal [sic] Company, an immense coal depot is to be erected at this city, one of the largest in the State, for it is the intention of those interested, to make Albany a second Rondout in the way of anthracite coal movements. [emphasis added]. *Albany Eve. Post.*" (*Carbondale Advance*, Saturday, March 24, 1866, p. 2)

**3. PA Coal Fields Connected with New York and New England Railroad System:** The D&H entered into a contract, in September 1868, with the Erie Railway Company by which they engaged to construct a steam railroad—the Jefferson Branch—from Carbondale to the Erie main line at Lanesboro, to be completed June 1, 1870, the Erie, thereafter, to transport coal for the Delaware and Hudson Canal Company to Rochester and Buffalo. The **Jefferson Branch of the Erie Railroad** (Carbondale to Lanesboro Junction: line opened in October 1870; five days later, on October 15, 1870, the D&H advertised for proposals to construct the Lackawanna and Susquehanna Railroad from Lanesboro to Nineveh. On October 28, 1870, the first coal train ran on the Jefferson Branch. The Jefferson Branch was the link between the coal fields in Pennsylvania and all markets for coal north of Carbondale. As such, its importance in the history of the D&H can not be over-stated. To strengthen and unify the D&H transportation system in the Lackawanna Valley, the D&H constructed the **Valley Road**, a standard-gauge rail line between Scranton and Carbondale, which opened on July 4, 1871, and purchased the **Union Railroad**, between Wilkes-Barre and Scranton.

**4. D&H Coal Transported to Weehawken by Erie:** The D&H entered into a contract, in September 1868, with the Erie Railway Company to transport D&H coal from Honesdale to Weehawken Dock during the winter months. Marketing coal during the winter months in New York City was now possible.

**5. Rensselaer and Saratoga Railroad Leased:** Incorporated on April 14, 1832, the R&S, and all of its branches, together with the line of steamers on Lake Champlain, leased (\$750,000 a year in perpetuity) to the D&H on May 1, 1871. D&H coal could now be marketed as far north as Whitehall, via Albany. This sprawling line, 181 miles in length; was merged into the D&H on July 2, 1945.

**6. Lackawanna and Susquehanna Railroad Constructed:** 23.3 miles from Jefferson Junction to Nineveh. The line opened on January 1, 1872. D&H coal could now be marketed in upstate New York without having to pass through Binghamton.

**7. New York and Canada Railroad Constructed:** Whitehall to Rouse's Point, Canada. The line was opened for business on November 26, 1875. The New York and Canada railroad was originally chartered with a capital stock of \$3,000,000, and was designed for two distinct purposes: (1) To enable the Delaware & Hudson Canal company (which controlled a line of railroads from its coal fields to Whitehall) to ship its anthracite beyond that point to Canada over its own rails;

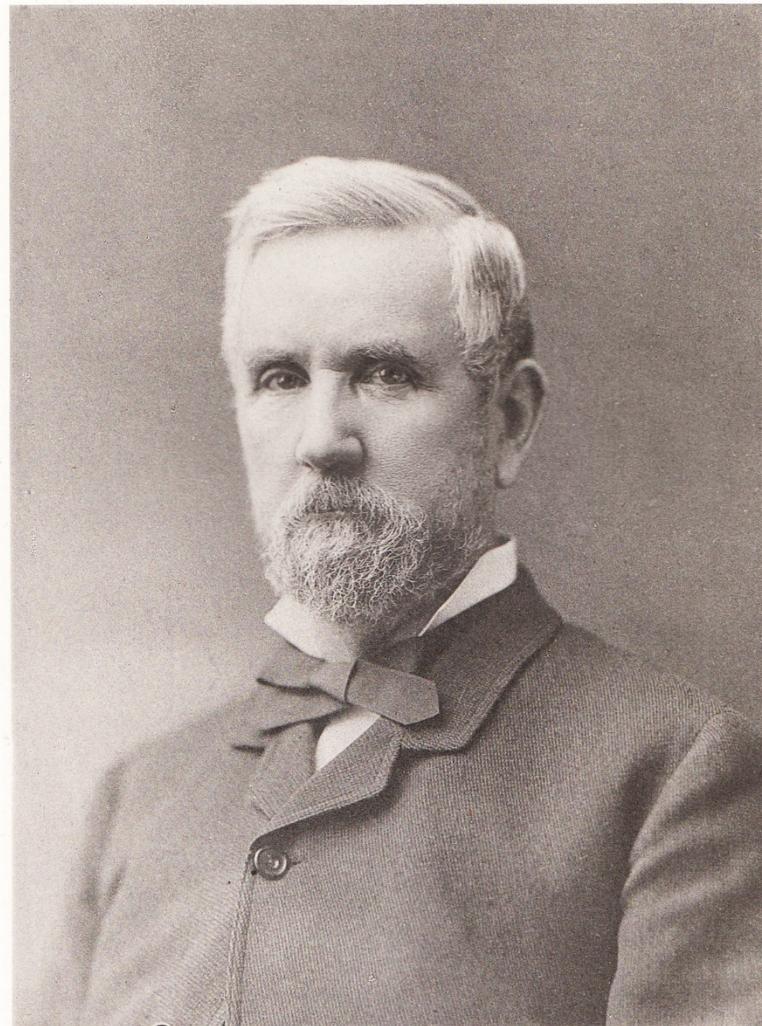
and (2) To reach and develop; the magnificent iron ore interests of Essex, Clinton, and adjoining counties on the western shore of Lake Champlain. The length of the road from Whitehall to the Canada line is 114 miles. This rail line gave the D&H access to Montreal and all of Canada year round. (The D&H had, therefore, an advantage over all its coal-mining rivals in that it could ship coal to Canada without using water communication.) To commemorate the completion of this line, the D&H hosted a commemorative excursion from Albany to Montreal on November 16-19, 1875. Among the prominent individuals invited by President Dickson to join the D&H managers on this excursion were John Jacob Astor, J. Pierpont Morgan, Samuel Sloan, Cornelius Vanderbilt, Chester A. Arthur, Samuel J. Tilden, and U. S. President Ulysses S. Grant. The train consisted of a baggage car, hotel car, seven Wagner Palace coaches, a directors' coach, and at the rear an open "Baldwin" coach.

Such then are the primary accomplishments of Thomas Dickson as a D&H officer (Coal Superintendent, General Superintendent, Vice President, and President) in the first fifteen years of his service to the D&H, 1860-1875 (with nine additional years still ahead of him as president of the company). About Thomas Dickson and his accomplishments as an officer of the D&H in those first fifteen years of service to the D&H, Horace Hollister, M.D., in his *History of the Delaware and Hudson Canal Company* (1880), said the following:

"He rose from the ranks of the people by no other reason than that of his own inspiration. A man of talent and character, prudent in speech, excellent in judgment,...estimating time too highly to permit an hour to go by in idleness, he rigidly practiced the industry himself which he desired others to imitate for he considered that no man unwilling to assist himself deserved aid from others. He has given his whole heart to the interests of the Company in all its progressive developments as if they had been his own and thus has become the moving spirit in its modern progress and history,...occupying every intermediate position from a driver boy to the presidency of this great Company, which, by its immense capital of twenty millions and its ramifications of nearly one thousand miles of railway, underground and overground, has become established as a commonwealth of itself. The advancement of Thomas Dickson as a railroad magnate may be attributed to two simple facts, first, he never abandoned what he had considerately undertaken without accomplishing it; second, he dealt with all men in good faith and fairness and never broke his word. He said what he meant and meant what he said, as thousands of employees of the Delaware and Hudson Canal Company and others can attest."

(End of Part 1)

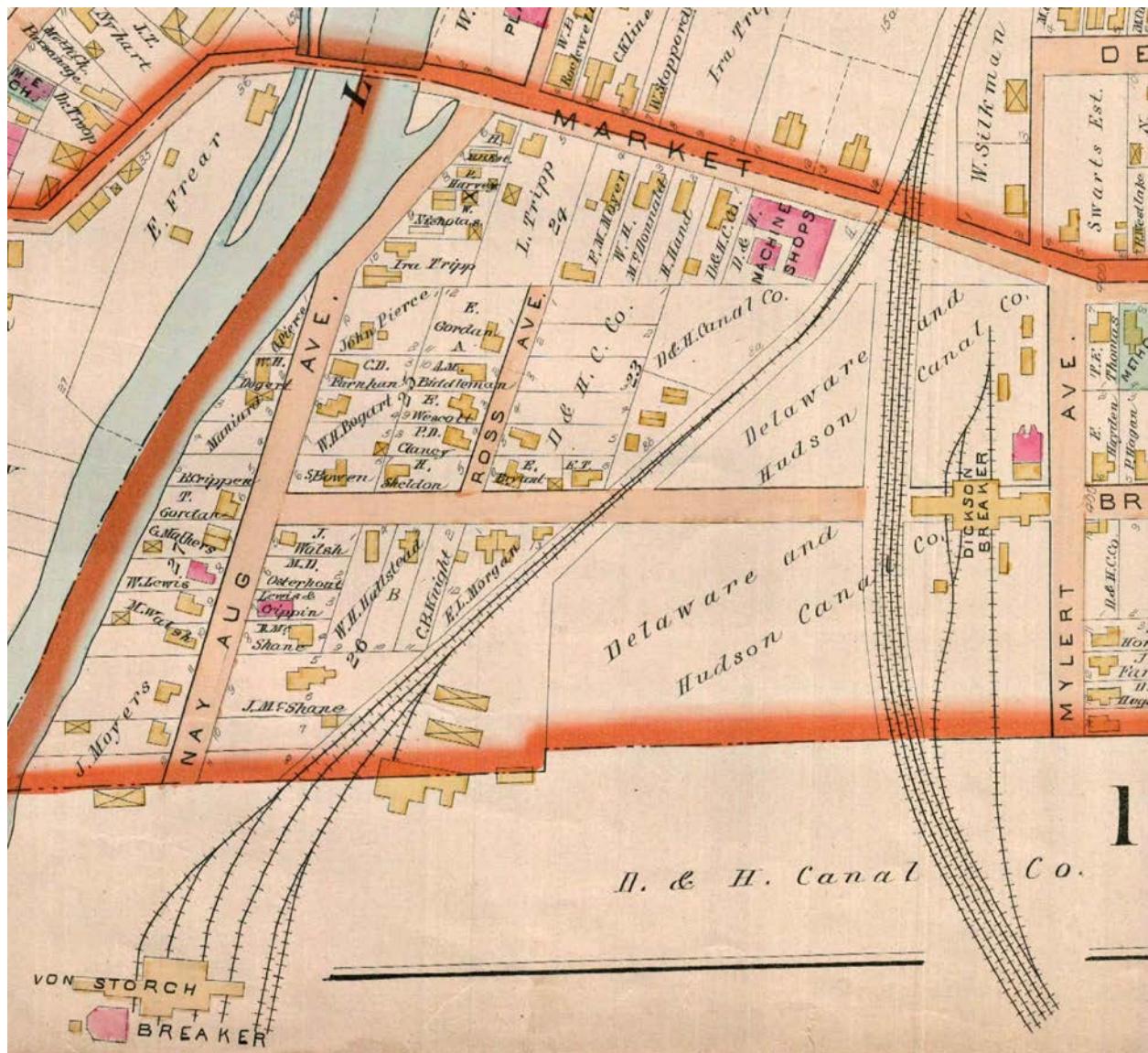
Photos in Thomas Dickson article, Part 1:



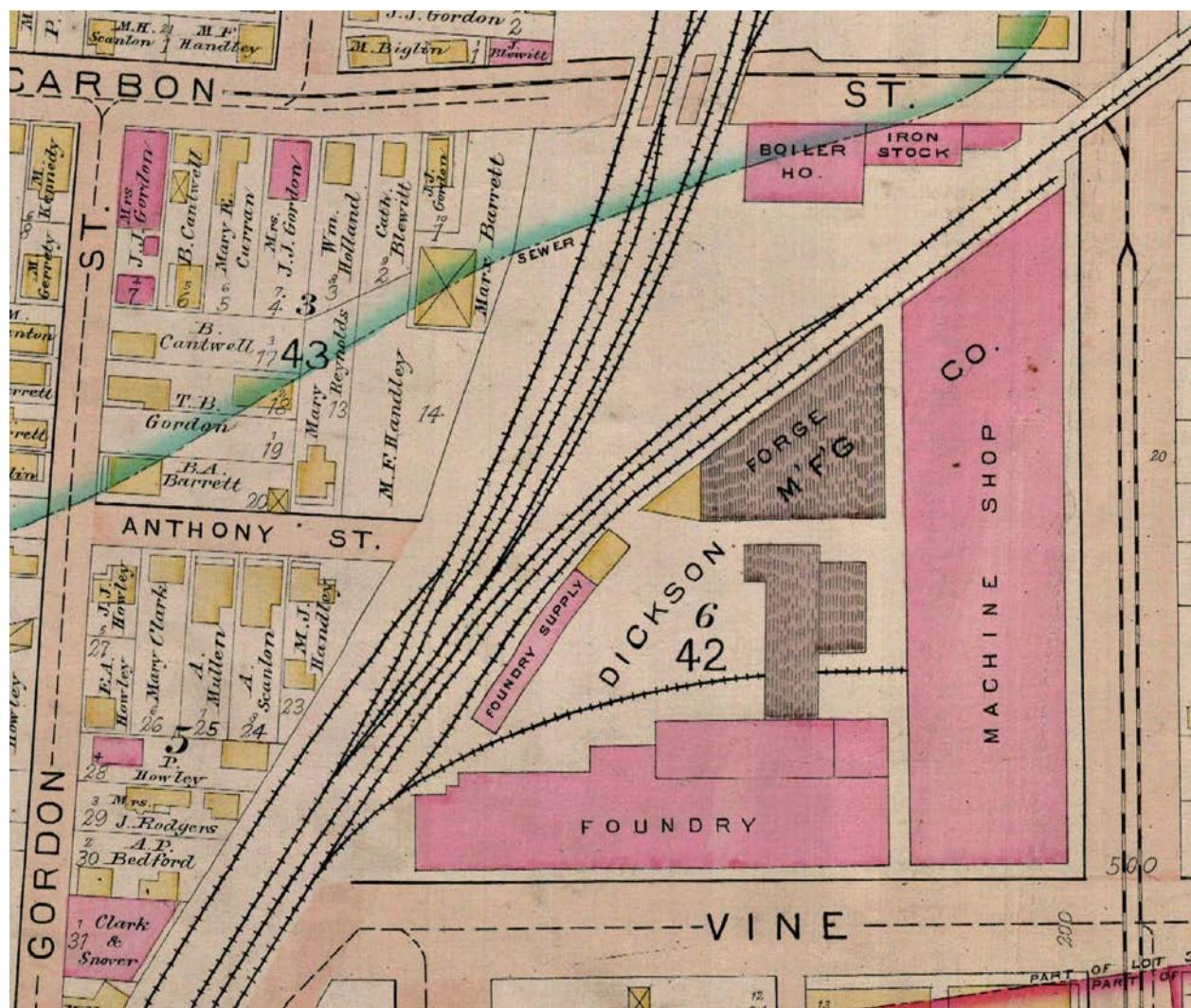
THOS. DICKSON.

1883.

Thomas Dickson, 1883 (*The Life of Thomas Dickson. A Memorial* by Samuel C. Logan, 1888, p. 96)



Dickson Breaker, Breaker Street and Meylert Avenue, Providence (detail of 1899 map of Scranton; breaker at far right, center)



Dickson Manufacturing Company, Vine Street and Penn Avenue, Scranton, PA (detail of 1899 map of Scranton)



Dickson Mausoleum, Dunmore Cemetery, Dunmore, PA

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